

MAR 1.1 2014

Katherine A. Belinski, Esq. Nossaman LLP 1666 K Street, NW, Suite 500 Washington, DC 20006

RE: MUR 6585

Edolphus Towns Gwendolyn Towns

Committee to Re-Eleot Ed Towns Albert C. Wiltshire in his official

capacity as treasurer

Dear Ms. Belinski:

On March 6, 2014, the Federal Election Commission accepted the signed conciliation agreement submitted on your clients' behalf in settlement of a violation of 2 U.S.C. § 439a, a provision of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003) and Statement of Policy Regarding Placing First General Counsel's Reports on the Public Record, 74 Fed. Reg. 66132 (Dec. 14, 2009). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondents and the Commission. See 2 U.S.C. § 437g(a)(4)(B).

Enclosed you will find a copy of the fully executed conciliation agreement for your files. Please note that the civil paneity is due within 30 days of the conciliation agreement's effective date. You indicated that Rep. Towns reimbursed the Committee to Re-elect Ed Towns \$5,000 from his personal funds on January 29, 2014, and has therefore already satisfied that requirement in the conciliation agreement. If you have any questions, please contact me at (202) 694-1650.

Sincerely.

Attorney

Enclosure
Conciliation Agreement

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)			
Edolphus Towns)	MUR 6585		
Gwendolyn Towns)	0	20	•== (
Committee to Re-Elect Ed Towns and Albert C. Wilshire in his official capacity as Treasurer)))	FFICE OF COUL	2014 FEB 10	EDE(1)
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This matter was initiated by a signed, sworn, and notarized complaint. The Federal Election Commission ("Commission") found reason to believe that Edolphus Towns,

Gwendolyn Towns, and the Committee to Re-Elect Ed Towns and Albert C. Wilshire in his official capacity as treasurer (collectively "Respondents") violated 2 U.S.C. § 439a.

NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

- I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).
- II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.
 - III. Respondents enter voluntarily into this agreement with the Commission.
 - IV. The pertinent facts in this matter are as follows:

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- 1. Edolphus Towns ("Congressman Towns") is a former U.S. Congressman who represented New York's 10th District, and was a candidate for that federal office during the 2010 and 2012 election cycles.
 - 2. Gwendolyn Towns is Congressman Towns' wife.
- 3. The Committee to Re-elect Ed Towns ("Committee") is a political committee within the meaning of 2 U.S.C. § 431(4)(A), and was the principal campaign committee for Edolphus Towns for his Congressional races in 2010 and 2012.
 - 4. Albert C. Wiltshire is the treasurer of the Committee.
- 5. Under the Federal Election Campaign Act of 1971, as amended (the "Act") and Commission regulations, a candidate and the candidate's committee have wide discretion in making expenditures to influence the candidate's election, but may not convert a contribution or donation described in 2 U.S.C. § 439a(a) to the personal use of the candidate or any other person. 2 U.S.C. § 439a(b)(1); 11 C.F.R. § 113.1(g).
- 6. A contribution or donation has been converted to personal use if it "is used to fulfill any commitment, obligation, or expense of a person that would exist irrespective of the candidate's election campaign ur individual's duties as a holder of Federal office," 2 U.S.C. § 439a(b)(2), such as a "noncampaign-related automobile expense," id. § 439a(b)(2)(C).
- 7. Where a committee uses campaign funds to pay expenses associated with a vehicle that is used for both personal activities beyond a *de minimis* amount and campaign or officeholder-related activities, the portion of the vehicle expenses associated with the personal activities is personal use, unless the person(s) using the vehicle for personal activities

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reimburse(s) the campaign account within thirty days for the expenses associated with the personal activities. 11 C.F.R. § 113.1(g)(1)(ii)(D).

- 8. Further, when campaign funds are disbursed for personal and campaign or officeholder use, "a contemporaneous log or other record must be kept to document the dates and expenses related to the personal use," and this log or record must be updated with each personal use. 11 C.F.R. § 113.1(g)(8).
- 9. During the 2010 and 2012 election cycles, Congressman Towns and Gwendolyn Towns leased an automobile that they used for mixed campaign-related and personal purposes, for which the Committee used campaign funds to pay monthly lease costs of \$602.33, totaling \$14,316.34. Congressman Towns and Gwendolyn Towns did not keep a mileage log or other record to document the use of the vehicle for campaign and non-campaign activities, as required by 11 C.F.R. § 113.1(g)(8).
- V. Respondents violated 2 U.S.C. § 439a by using campaign funds for personal use. Respondents will cease and desist from violating 2 U.S.C. § 439a.
- VI. 1. Respondents will pay a civil penalty of Five Thousand Dollars (\$5,000) pursuant to 2 U.S.C. § 437g(a)(5)(A).
- 2. Edolphus Towns and Gwendolyn Towns will reimburse the Committee Five Thousand Dollars (\$5,000).
- VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof

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has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

IX. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Daniel A. Petalas

Associate General Counsel

for Enforcement

FOR THE RESPONDENTS:

united to Respondents